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van Helden, Jan

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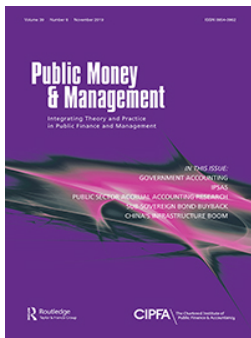
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New development: The practical relevance of public sector accounting research; time to take a stand

Jan van Helden

University of Groningen, The Netherlands

ABSTRACT

This article discusses three major themes that challenge researchers to focus more on practice-relevant public sector accounting research: How to combine practice-oriented research with being an impartial scholar? Which types of research themes have practical relevance? How can research contribute to societally-relevant issues?

IMPACT

Researchers need to identify their niche in doing practice-relevant public sector accounting research in a way that shows they are quite different from consultants. Promising themes for practice-relevant research are design-focused interventionist and evaluative research. Practitioners are encouraged to take notice of research in their field of interest; researchers need to make their studies accessible to practitioners via specific media, such as professional journals or web-logs.

KEYWORDS

Public sector accounting;
practice-relevant research;
societally-relevant research

A recently published book on the research–practice gap in the field of accounting in the public services, co-authored by Ferry, Saliterer, Steccolini and Tucker, inspired me to conduct a further exploration of the opportunities for practice-relevant public sector accounting studies. The book contains a collection of brief country studies, supplemented by the opinions of three international professional bodies: ACCA, CIMA and CIPFA. The studies deal with themes provided by the authors of the book: the country context, institutional and individual factors that widen or narrow the research–practice gap, and best practice examples of narrowing this gap. The quality of the evidence provided in these studies varies widely: from quite subjective observations and reflections, to investigations based on concrete and specific examples and/or empirical research. A salient conclusion is that, although the studies illustrate the practice-relevance gap and give examples of how to narrow this gap: ‘none of the narratives provided have given empirical evidence that has explicitly focused on the relationship between research and practice’ (ibid., p. 116). However, a study in the disciplinary domain of management accounting showed, for example, that members of professional accounting bodies in Australia have indeed perceived a significant gap between research and practice (Tucker & Lowe, 2014).

The authors of the book admit that researchers cannot do much to change the institutional barriers to narrowing the research–practice gap, such as government regulations (ibid., pp. 119, 121). Hence,

they primarily discuss what researchers can do. Some highlights of their recommendations are (ibid., pp 120–125):

- Do not publish only in peer-reviewed journals but also via channels accessible to practitioners, such as professional journals and newspapers.
- Network with organizations to enable access to relevant data.
- Enhance your credibility by collaborating with practitioners (‘engaged scholarship’, see Ven & Johnson, 2006).
- Give more weight to evidence-based research.

For those who are not familiar with the research–practice gap in public sector accounting and management, the book offers an informative and interesting introduction. It is my aim in this article to broaden the discussion about how researchers can contribute to the practical relevance of public sector accounting research by discussing some themes that are not, or only marginally, addressed in the book.

Combining impartial and practice-oriented research

If scholars have to combine the role of impartial and competent observer and assessor of practice with that of advisor for practitioners, they will sometimes encounter a huge dilemma. They might face the risk of solely serving the interests of the practitioners

with, or for whom, they are conducting their research. There are various ways in which scholars can get involved in practice-oriented research. Ferry, Saliterer, Steccolini, and Tucker (2018) seem to consider collaboration with practitioners or research commissioned by organizations as the most common. These are indeed obvious routes, but there is a tension here between being a scholar with high integrity and one's obligations towards the client. Other ways of conducting practice-relevant research are, however, possible. For example, researchers can spend part of their time as consultants or administrators (for example as a member of an oversight body) in a public sector organization. Such activities may not directly lead to practice-relevant research, but in choosing a research theme that is relevant in a practical sense, these researchers may be able to draw on their experiences as consultants or administrators. In these cases, researchers retain their independent position, while their work is potentially practice-oriented.

Finding your niche as a researcher

Even if researchers agree to conducting investigations in collaboration with or commissioned by practitioners, some level of independence from practice can be worked out, especially by establishing in advance that the research will include a critical assessment of the views held in practice about the accounting tools used and the ways in which these tools are implemented. In addition, researchers should focus on how they can distinguish themselves from consultants—in other words, they should find their niche in the domain of practice-oriented research. As regards the demand side of the market for advice in the public sector, Van Helden, Grönlund, Mussari, and Ruggiero (2012) found that in the case of well-defined practical and technical issues, public sector managers prefer consultants to academics because of their experience-based expertise. They approach academics for advice regarding value-laden problems in their organization. However, when impartial advice is required, academics may even be approached about practical and technical issues, usually the primary domain of consultants. As regards

the supply side, Van Helden, Aardema, Bogt, and Groot (2010) found evidence about how researchers and consultants perceive their identity. Researchers emphasise the importance of practice but worry about the prospects of a successful cross-fertilization between practice and research, because of the pressure they are under to publish in international research journals. Consultants have limited access to academic research due to the pressures from their daily work. The knowledge created by consultants is based on problems in the practical field; it has to be ready-made for application and is often a combination of explicit and tacit knowledge. For researchers, the picture is more diffuse—the knowledge that they create can be either disciplinary-driven and fundamental or problem-driven and applied.

How researchers can distinguish themselves from consultants in doing practice-relevant public sector accounting research is further elaborated below.

A hierarchy of practice-relevant research themes

According to Lukka and Granlund (2002), different genres of management accounting research can be distinguished, ranging from consultancy to basic and critical research. They argue that, whereas within each genre there is knowledge accumulation, cross-fertilization among genres is limited or even absent. Although to my knowledge there are no similar studies on public sector accounting research, there is no reason to assume that their findings would be different. This means that researchers are locked into their genre, especially in the cases of basic and critical research, whereas the research–practice gap would significantly benefit from especially cross-overs between consultancy and basic research.

So, researchers are encouraged to leave their ivory tower by prioritizing studies that are potentially relevant for practice. In order to help them in this prioritization, a hierarchy of research themes is shown in Table 1, which goes from highly to hardly practice-relevant.

The designer-researcher mode implies interventionist types of study (theme 1). Here, providing support to practice is combined with

Table 1. Hierarchy of research themes according to their practical relevance.

Research theme	Role of the researcher	Extent of practice-relevance
1 Design of a new accounting tool or the improvement of an existing accounting tool	Designer-researcher	High
2 Assessment of the effectiveness of an accounting tool in use	Auditor-researcher	High
3 Analysis of the way in which an accounting tool is used, including the impact of contextual factors	Researcher quite remote from practice	Intermediate
4 Assessment of the availability of an accounting tool, including the impact of contextual factors	Researcher quite remote from practice	Intermediate
5 Discussion of a set of accounting tools as embedded in a governance philosophy	Researcher very remote from practice	Low

contributing to academic knowledge production. The researcher is required to be an active participant in a practical context, while also reporting back to academia for reflection on the broader impacts of the practical solutions designed (see, further, Suomola, Yrjänäinen, & Lukka, 2014). In this way, this research distinguishes itself from consultancy, and thus contributes to the identification of a niche. Evaluative research (theme 2) requires the researcher to have an expert reputation among practitioners. But, even if a research theme involves the analysis of the availability or use of a particular accounting tool (themes 3 and 4), its practical relevance can be enhanced by focusing on those instruments for which there is a large extent of interest in practice, and by including contextual factors that can be influenced by the practitioners themselves.

It has to be acknowledged that the notion that research has to solve problems occurring in practice—as in Table 1's themes 1 and 2—is based on a rather simplistic idea of knowledge production. It may even increase the risk that practice develops a preference for more straightforward (sometimes quick and 'dirty') solutions provided by sources other than academia, such as consultancy. According to Talbot and Talbot (2015), an interactive model of knowledge production is therefore more promising: 'In this model a wide variety of views are sought in the policy-making process. Rather than seeing research use as linear, the process is characterized as a "disorderly set of interconnections"' (ibid., p. 192), that is, between policy-making practice and research.

Societal relevance of research

Research can be aimed at serving the interests of practitioners who use accounting information in the public sector, such as managers and politicians. It can also be focused on supporting the interests of society at large. The latter means that research is used to contribute to the solution of societal problems (see Modell, 2014 for examples related to management accounting).

In the reflection on society-relevant public sector accounting, the importance of New Public Management (NPM)—with its emphasis on marketization, managerialism and results controls—cannot be ignored, neither in the practical nor in the research context. Steccolini (2019) refers to the past three decades of NPM as the golden research age, but she also warns that this golden age could turn into a 'golden cage' because the research is under-theorized and overly focused on isolated cases and negative side-effects of NPM-like accounting tools. According to Steccolini, a way out of this NPM golden cage is to put publicness at the centre of public sector accounting research. This implies a core

emphasis on the attainment of public goals and interests rather than a primary focus on the organizations where the research takes place. In my opinion, this is a promising route for making public sector accounting research more societally relevant. I will illustrate this route by suggesting three more specific research themes.

The first is research into the *negative side-effects of NPM-like control forms*, i.e. performance-based controls. During the past few decades, these tools have become widespread in the public sector. Employees, however, complain that they perceive the detailed registration of their performance as a serious administrative burden and they feel mistrusted by their managers. So, there are calls for reducing the degree of performance reporting by, for example, decreasing the amount of performance indicators and the frequency of reporting. Public sector accounting research could develop approaches in which professional autonomy (for example in schools or hospitals) is combined with simplified (enabling rather than coercive) performance-based controls.

The second theme is an issue that will be on the agenda of many governments around the world: *climate change*. This is obviously a major public policy theme. In this context, governments are developing policies for reducing, for example, emissions of carbon dioxide or fine dust. What could public sector accounting contribute to these policies? One options could be capital budgeting devices for making cost-benefit analyses of investments in emissions reduction, especially to underpin government subsidies in this area. Another option could be the development of forms of sustainability reporting to monitor government policies.

Third, a major but much contested issue in many European countries is *asylum policy-making*. Here a chain of processes comes in, starting with intake and temporary relief, via admission procedures to housing or expulsion. How could public sector accounting contribute to the design of these policies, especially in the light of the varying inflows of asylum-seekers and legislative changes? Several performance dimensions are at stake in this context: capacity usage, operational costs, client waiting lists, quality of the services, and flexibility. Supply chain accounting could help identify the trade-offs among these dimensions for the several policy measures, such as ample versus tight housing capacity in relation to the varying numbers of clients over time (see Groot & Selto, 2013, pp. 297–299, about supply chain accounting).

Conclusions

Public sector accounting researchers must demonstrate their value to practice. They need to consider research themes that are of direct

importance to practitioners, and acknowledge their distinctiveness as researchers from consultants. On the other hand, they need to broaden their research focus to societally-relevant themes.

Disclosure statement

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